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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
2000 Biennial Regulatory Review --	)	CC Docket No. 00-229
Telecommunications Service Quality	)	
Reporting Requirements	)	

COMMENTS
OF THE
UNITED STATES TELECOM ASSOCIATION

The United States Telecom Association (USTA) respectfully submits its comments in the above-referenced proceeding. USTA is the nation's oldest trade association for the local exchange carrier (LEC) industry. USTA represents more than 1,200 telecommunications companies worldwide that provide a full array of voice, data and video services over wireline and wireless networks. Among USTA's members are those incumbent LECs subject to the Commission's service quality reporting requirements. These requirements have served their purpose and should be eliminated at the federal level.

In a Notice of Proposed Rulemaking (NPRM) released November 9, 2000, the Commission is proposing to restructure the current quality of service reports contained in the Automated Reporting Management Information System (ARMIS) 43-05 Report (Service Quality) and ARMIS 43-06 Report (Customer Satisfaction). While it may be a positive, albeit small, step to reduce the number of reporting categories as proposed in the NPRM, this hardly qualifies as significant regulatory relief. While the NPRM proposes changing the current reports to require reporting in six categories, the proposal increases the level of detail required in each of the six categories. The format may be changed, but it is unclear whether the reporting burden will be reduced. In addition, the NPRM requests comment on expanding service quality

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reporting to include new technologies and services. Increasing regulation is not the purpose of the biennial review and such suggestions are clearly contrary to the Telecommunications Act of 1996. The fact is that these reports no longer serve the purpose for which they were adopted, to monitor service quality as price LECs implemented cap regulation. Price cap regulation has been in effect for over a decade and quality of service under price cap regulation is not an issue. In addition, this administrative burden is only imposed on incumbent LECs. These reports should be eliminated.

The NPRM claims that the Commission's basic role in service quality is to serve as an efficient clearinghouse for information. The NPRM does not specify which part of the Act provides the Commission with the authority to act as a clearinghouse for information on service quality, whether efficient or not. The Telecommunications Act of 1996 requires that the Commission rely on competition and eliminate regulation accordingly. In a competitive market, customers will rely on marketing, the opinions of family and friends and personal experience in determining what products and services to purchase. It is unlikely that ARMIS reports, even a streamlined version, will be a primary source of information for consumers. Further, these reports do not provide information for all providers of telecommunications services. Even if they did, it may not be possible and probably not very helpful to compare the service quality of a multistate or international company with that of a small rural company.

USTA agrees that service quality is a critical matter and its members have made it their highest priority to provide high quality service to customers. In the competitive environment in which they operate, high quality service must be maintained in order to retain customers. However, service quality reporting at the federal level is not required to preserve high quality service. The competitive market demands it. Service quality reporting is properly a matter for

the states to monitor in order to ensure that the unique circumstances of particular serving areas are considered and to provide consumers with information regarding the service providers operating in their areas. The states should be their own clearinghouse for service quality information. In fact, the NPRM points out that thirty states have service quality requirements for all LECs. These include specific performance requirements. It makes sense for the states that impose these requirements to collect information regarding how the state specific requirements are met and to make it available to consumers in their states. Federal reporting is not necessary.

As indicated in the NPRM, USTA has previously proposed streamlining the ARMIS service quality tables in the event that the Commission fails to apply a biennial review analysis and continues to require incumbent LEC service quality reporting. In its biennial review petitions filed September 30, 1998 and August 11, 1999, USTA proposed the following changes:

-eliminate Table I of the 43-05. This table no longer serves any regulatory purpose. The market for switched and special access services is highly competitive, as evidenced in the record in CC Docket No. 96-262. The Commission has reduced price regulation of these services in competitive areas. Given that the customers of these services are primarily interexchange carriers and large corporations who closely monitor these services on a real-time basis and demand immediate corrective action if a problem exists, this report is unnecessary. Specifications regarding installation and repair intervals are already included in tariffs and publicly available service agreements.

-eliminate Table II of the 43-05. This table on local service is properly within the sole jurisdiction of the states. Much of the information reported duplicates what is already reported to the states.

-eliminate Table III of the 43-05. There is no longer any need for incumbent LECs subject to service quality reporting to report common trunk blockage.

-eliminate Tables IV and IV.A of the 43-05. The current Commission rules now require all wireline carriers, including CLECs and IXCs, to report outages that exceed certain thresholds. These Tables are out of date and should be eliminated.

-eliminate Table V of the 43-05. USTA believes that the relevant regulatory body should be responsible for maintaining complaints.

-eliminate Report 43-06. The customer satisfaction survey is no longer necessary. Customers are free to register their dissatisfaction by filing a complaint with the appropriate agency.

USTA strongly supports the NPRM proposals that are consistent with the above-listed modifications, particularly the elimination of the Report 43-06. The adoption of all of these modifications would provide significant relief from unnecessary reporting requirements.

As part of its restructuring proposal, the NPRM lists six categories of performance data that incumbent LECs would continue to report and requests comments on each. USTA's comments follow:

-Missed installations. The NPRM proposes to add time of day reporting in this category. Many LEC systems cannot provide the time of day and adding this detail would entail a major modification of current systems. This additional detail presents an increased administrative burden and should not be required.

-Installation intervals. The NPRM proposes that the reporting incumbent LECs provide the specified number of working days for which installation orders are completed. USTA opposes this suggestion and recommends that LECs continue to report average completion time. Many states have specific working day requirements that LECs must meet. It does not make sense to duplicate this information at the Federal level.

-Trouble reports and out-of service troubles. USTA strongly recommends that LECs only report initial trouble reports and initial out-of-service trouble. In order to avoid duplication, initial customer trouble reports should be defined to specifically exclude those reports that are also tracked as "repeat" troubles. There is no need to report access lines in addition. Access lines are reported on other ARMIS reports and the duplicative reporting creates confusion and adds unnecessary burdens. Access lines should be reported once on one ARMIS report.

-Missed repair appointments. This information is not currently reported in ARMIS and would add to the reporting requirements. Adding new requirements is not the purpose of a true biennial review proceeding which is aimed at identifying regulations that are no longer required. If the Commission determines that reporting requirements should be increased, it should do so in another proceeding.

-Repair intervals. The NPRM provides no rationale as to why this data should continue to be reported. If no such rationale exists, this reporting requirement should be eliminated. The NPRM requests comment on whether averages should be reported. LECs currently report average repair intervals. It would appear that the Commission is not utilizing the information currently reported. This requirement should be eliminated.

-Other information. The NPRM requests comment on other reporting requirements, including the length of time customers wait on hold or wait for a call back. New reporting requirements are not relevant in a biennial review proceeding. There is no need for this information. In a competitive market, if a customer is not satisfied with the service she receives, she will switch to a competitor.

There is no reason to expand service quality reporting to include new broadband services and technologies. These are highly competitive markets with no dominant provider. Competition will ensure that customers receive the best quality service possible. There is no need to saddle new services and technologies with unnecessary regulatory requirements. Such action only acts as a deterrent to innovation and slows the introduction of new services. It is clear that the Telecommunications Act of 1996 eliminated the traditional regulatory model and replaced it with a competition model. It is contrary to the statute for the Commission to even suggest that new regulations be imposed, particularly on new technologies and services. It is long past time for the Commission to utilize the tools provided by Congress through biennial review and forbearance to eliminate regulation. USTA strongly opposes any new regulations for new technologies and services.

In addition, there is no need to further disaggregate the current ARMIS Report 43-05 data into MSA and non-MSA categories. It is interesting to note that in the Commission's most recent reporting requirement, the Local Competition and Broadband Data Gathering Program, it did not require disaggregation of data by MSA and non-MSA. As USTA has shown, there is no benefit to be obtained to justify the increased administrative burden.

Finally, there is no reason to expand service quality reporting at the Federal level. The Commission has already found that mid-sized and smaller incumbent LECs should be relieved of reporting requirements for the other ARMIS reports. There is no reason to make a different finding here. The ARMIS service quality reports are an unnecessary administrative burden that

should not be imposed on any carriers, particularly those with limited resources. Likewise, while it is true that collecting data only from certain incumbent LECs does not provide regulators with the ability to compare all carriers, USTA opposes expanding these reports to other carriers. It is not necessary to impose these requirements on any carrier in a competitive environment. Customers will consider service quality as they make product and service decisions. The marketplace will provide the incentives for all carriers to provide high quality service.

As the NPRM observes, Section 402(b)(2) of the Telecommunications Act requires that ARMIS data be filed only on an annual basis. Thus, the Commission cannot require more frequent reporting. Further, underlying data used for reporting need not be retained for more than two years.

The Commission requests comment on the NARUC Service Quality White Paper. USTA provided comment on those proposals in its June 9 letter that has been made a part of the record in this proceeding. It should be clear that USTA does not support the retention of service quality reporting at the Federal level. USTA does not believe that the White Paper provides any reporting relief. It should not be adopted at the Federal level. If the Commission pursues the White Paper regardless of USTA's opposition, in its letter, USTA made the following recommendations regarding the White Paper. However, these recommendations do not represent support for the White Paper.

-incorporate the Installation, Maintenance and Customer Complaint portion of the Customer Perception section of the White Paper as Table 1 of the revised ARMIS 43-05 Report as shown at Exhibit 3 of the June 9 letter.

-eliminate the disagregation of rural and urban data required in the White Paper as it does not provide relevant information.

-require that access lines only be reported in Table II of the ARMIS 43-02.

-incorporate Switch Outages as defined under Section 3 of the Network Performance section of the White Paper as Table 2 of the revised 43-05.[1]

-eliminate the answer time performance metrics.

-eliminate the metrics contained in the Network Performance section of the White Paper under interoffice transmission facility outages.

-incorporate the Customer Satisfaction data portion of the Customer Perception section of the White Paper as Table 1 of the revised 43-05 shown in Exhibit 3 of the June 9 letter.

-eliminate the 43-07 infrastructure report.

-utilize the streamlined 43-08 operating data report as shown in Exhibit 3 of the June 9 letter.

It is past time for the Commission to take its responsibility under biennial review seriously and, at a minimum, to refrain from using biennial review as a means to increase regulatory requirements on incumbent LECs. The service quality reporting requirements have served their purpose and should be eliminated. If state regulators want to impose service quality reporting requirements on carriers and have the necessary authority, they should do so at the state level. There is no need to continue service quality reporting at the Federal level.

Respectfully submitted

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[1] As explained previously in these comments, Tables IV and IV.A of the 43-05 are out of date due to Commission requirements for all wireline carriers to report outages pursuant to certain thresholds and should be eliminated.